

Before the  
COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

No. D.T.C 11-16

PETITION OF REIPIENTS OF COLLECT CALLS FROM  
PRISONERS AT CORRECTIOANL INSTITUTIONS IN MASSACHUSETTS  
SEEKING RELIEF FROM  
THE UNUST AND UNREASONABLE COST OF SUCH CALLS

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AMENDED AFFIDAVIT OF DOUGLAS A. DAWSON

**I. INTRODUCTION**

1. My name is Douglas A. Dawson, and I am President of CCG Consulting, Inc. ("CCG"), located at 7712 Stanmore Drive, Beltsville, Maryland, 20705. CCG is a general telephone consulting firm. CCG works for over 450 communications companies, which includes competitive local exchange companies (CLECs), local telephone companies, cable TV providers, electric companies, wireless providers, wireless companies, municipalities and governments and internet service providers.

2. This affidavit has been amended at one place. In paragraph 17 I have changed the commission rate collected by DOC and added a footnote explaining the change.

3. I have specific experience that is relevant to the issues in this case. This case involves the cost of providing local and long distance calling for jails and prisons. I have assisted in the launch of over 50 long distance companies in my career. In that role, I have done just about everything possible associated with creating or running long distance companies. I am familiar with all regulatory aspects of long distance service including the development of prices and costs and the writing and filing of tariffs. I have helped numerous companies select the hardware for providing

long distance service. I have negotiated numerous times with wholesale long distance providers such as Sprint, AT&T, Level3 and CenturyLink. I understand the details about the underlying long distance networks and issues associated with using them. I have had extensive experience with and, consequently, have an in-depth understanding of the capabilities and configurations of network switching systems, which lie at the heart of what all telephone systems can do. I also have helped numerous companies with the provisioning of ancillary long distance products such as calling cards, operator services, pre-paid cards, international toll, and Voice Over IP (VoIP) long distance.

4. In this affidavit, I have been asked to support the original petitioners in the case who claim that the rates charged for prison calling in Massachusetts are unreasonable. Recently Securus and GTL made arguments in their responsive pleadings asking for the case to be dismissed and said that the petitioners provided insufficient evidence that the rates charged in the state are too high. I believe that the DTC should hear this case. My primary argument is that there are other states with lower long distance rates for prisons, and the fact that prison providers accept contracts in those other states is sufficient evidence that the rates in Massachusetts are higher than necessary. Further, Respondents make claims that the costs of providing prison calling have increased since the original petition for this case was filed in 2009. I will argue below that the prison provider's costs to provide long distance services have dropped precipitously in the last few years. The petitioners have retained me as an expert witness and the original plan was for me to file extensive testimony once this docket moved forward. For now, since time is short, my goal is to explain briefly why the claims made by Securus and GTL are without merit and why the DTC should hear this case.

5. For the reasons set forth in this affidavit and based on my extensive background in the telecommunications field, I conclude that the rates charged for calling in Massachusetts are excessive. I further contend that the costs of providing prison calling has dropped precipitously over the last few years, rather than increased as claimed by the petitioners. In brief, in this affidavit, I will a) discuss my background and qualifications in the field of telecommunications, b) briefly discuss



how the rates in Massachusetts are higher than rates in many other places, and c) discuss how costs have dropped dramatically for prison telephone providers in the last few years.

## **II. Background**

6. I received a Bachelor of Science in Accounting from the University of Maryland in 1977. In addition, I received a Masters degree in Mathematics from the University of California at Berkeley in 1985.

7. I began my telephone career in 1975 as a test technician building telephone switches for Litton Industries in College Park, Maryland. In this position I did system integration testing and learned in detail how early digital switches operate.

8. My next telephone job began in 1978 with John Staurulakis, Inc. ("JSI"). JSI is a telephone consulting firm that specializes in consulting for independent telephone companies (those smaller telephone companies that were not part of the Bell System). In this job, I worked on separations cost of service studies for Independent Telephone Companies. In this role, I had my first detailed exposure to developing the costs of providing telephone service. Additionally, I performed numerous traffic studies for switches. These studies were used to determine the patterns of customer usage for switches, and were used to determine costs, but also were used to determine the most efficient way to configure the switch and the network.

9. Next, in 1981 I became a Staff Manager of Industry Relations at Southwestern Bell Telephone Company in St. Louis, Missouri. Southwestern Bell was a huge regional telephone company that is now part of AT&T. My functions there included tracking issues that impacted Bell's relationships with the independent telephone industry, calculating and negotiating various interconnection and settlement rates between companies for local calling and other network arrangements, and overseeing the review of an independent telephone company's traffic and toll cost studies. In performing the traffic studies I had hands on experience working with measuring usage on

a number of different brands of switches. I also served for a period of time as a member of the rate case team for the Missouri operations. In working on rate cases, I further developed my knowledge of calculating and developing telephone costs.

10. In my next position, beginning in 1984, I gained operating telephone company experience at CP National in Concord, California. CP National was a holding company that owned, among other things, 13 telephone companies. I had several jobs with increasing responsibility and ended as Director of Revenues. In that capacity, I oversaw a large group that performed telephone accounting, separations and traffic engineering studies for a seven-state area. My group also monitored earnings, developed access and local rates, maintained tariffs, filed rate cases, and monitored and commented in state and federal regulatory proceedings. In this role, I was directly responsible for setting rates and for defending those rates in front of various regulatory authorities. Thus, I testified in a number of rate-making cases and regulatory proceedings in California, Texas, Nevada, Oregon and Arizona and New Mexico. Part of my responsibility at CP National included calculating costs and setting rates for four separate operator centers where the company maintained telephone operators for completing collect and other types of operator-assisted calls. While at CP National, I also became responsible for earnings monitoring and rate case development for electric, gas and water properties.

11. In my next position, in 1991 I again joined John Staurulakis, Inc. in various capacities. My final position there was as Director of Special Projects. In that capacity, I oversaw all projects and clients who were not historically part of JSI's core cost separations business. Some of the projects I worked on included assisting clients in launching long distance companies and to become internet service providers; studying and implementing traditional and measured local calling plans; developing optional toll and local calling plans; performing embedded Total Element Long-Run Incremental Cost ("TELRIC") and incremental cost studies for products and services; assisting in local rate case preparation and defense; and conducting cross-subsidy studies



determining the embedded overlap between telephone services. In this role, I gained in-depth experience in long distance rates rate setting and the regulatory process. I also became thoroughly familiar with the underlying costs of running a long distance company, and providing telephone service.

12. In 1997, I became a founder and owner of Competitive Communications group, LLC. The company has subsequently been reformed as CCG Consulting, LLC. My title at CCG is President and I am directly responsible for all of the consulting work performed by our company. As a firm we offer the following telephone consulting products and services that are needed by companies that are launching new ventures or entering new markets, all under my direct control and supervision:

- Engineering services, including:
  - Analysis of telephone hardware for switching and networks
  - Detailed network design and development
  - Developing switching specifications and provisioning new switches into service
  - Developing RFPs and analyzing vendors;
- Development of financial business plans;
- Market segmentation studies to understand markets and customers;
- Competitive research including rates and services of other providers;
- Strategic analysis and planning;
- Marketing plans;
- Regulatory work including certification of companies to provider service, development and filing of tariffs and regulatory compliance to make certain companies are meeting regulatory requirements;
- Implementation assistance for start-up companies including:
  - Negotiating interconnection agreements with other carriers
  - Negotiating network implementation and collocation of equipment with other carriers;
  - Choosing vendors for billing, back office, operator services and other external requirements
  - Ordering trunks (telephone lines that go between different networks)
  - Detailed hands-on project management;
  - Assistance in developing and implementing accounting systems;
  - Development of rates;

- Calculation of costs.

### III. RATE ISSUES

15. The purpose of this section is to highlight a few other states where rates are significantly lower than the rates charged today in Massachusetts, which is sufficient proof that the rates in Massachusetts are too high. If and when this case proceeds to an evidentiary hearing, I will provide a more detailed and comprehensive analysis of rates in other states as they compare to Massachusetts.

16. One thing that anybody who looks at prison calling rates will instantly see is how widely the rates vary. This is often the case even within the same prison or jail where the rates for state and interstate rates might be quite different, although the costs are nearly identical. Generally it seems like prison telephone providers will charge as much for calls as they can get away with in each jurisdiction. As can be seen by a few of the rates I list below, there is a big discrepancy even within Massachusetts between the rates charged by state prisons and those charged by County facilities.

17. Following are some examples of the rates charged in Massachusetts today. The first rates below are the rates used by GTL for the Massachusetts Department of Corrections. In this document I will refer to those as the **DOC rates**.

The DOC Commission rate is rates is 15% for debit calls and 30% for collect calls. The composite effective Commission rate is 24%.<sup>1</sup>

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<sup>1</sup> In the 'Third Amendment to Contract for a Secure Inmate Calling System and Related Serves, DOC File No. 1000-PHONE2006' dated September 9, 2010 the commission rate was lowered to 30% on collect calls and 15% on debit calls. In the most recent 'RFR for a Secure Inmate Calling System and Related Services, DOC File No. 13-DOC-Inmate Phone' the effective commission rate for the two types of calling combined can be calculated at just over 24% for 2012 based on the revenues and commissions listed on the final page of Attachment C. That page shows \$7,132,095.44 of calling revenue for 2012 and \$1,717,504.80 of commissions paid.

Debit Calls

Local	\$0.65 Surcharge plus \$0.075 per minute
State IntraLata	\$0.65 Surcharge plus \$0.075 per minute
State InterLata	\$0.65 Surcharge plus \$0.075 per minute
Interstate	\$0.65 Surcharge plus \$0.075 per minute

Collect Calls

Local	\$0.86 Surcharge plus \$0.10 per minute
State IntraLata	\$0.86 Surcharge plus \$0.10 per minute
State InterLata	\$0.86 Surcharge plus \$0.10 per minute
Interstate	\$0.86 Surcharge plus \$0.10 per minute

18. In addition to the DOC rates, there are contracts for different rates among many County and city-owned correctional facilities. Following are some examples of these other rates:

**Rates for the Plymouth County Sheriff's Department (GTL)**

The Plymouth rates include a 60% commission plus a monthly fee of \$2.89 for anybody who receives a bill.

All Calls

Local	\$3.10 for the 1 <sup>st</sup> minute and then \$0.10 per minute
State IntraLata	\$3.10 for the 1 <sup>st</sup> minute and then \$0.10 per minute
State InterLata	\$2.60 for the 1 <sup>st</sup> minute and then \$0.10 per minute
Interstate	\$3.95 for the 1 <sup>st</sup> minute and then \$0.89 per minute

**Suffolk County Sheriff's Department (Securus)**

The Suffolk rates include a 50% commission.

Debit Calls

Local	\$0.50 per minute
State IntraLata	\$0.50 per minute
State InterLata	\$0.50 per minute
Interstate	\$0.50 per minute

Collect Calls

Local	\$2.85 Surcharge plus \$0.10 per minute
State IntraLata	\$2.85 Surcharge plus \$0.10 per minute
State InterLata	\$3.00 Surcharge plus \$0.10 per minute
Interstate	\$3.00 Surcharge plus \$0.89 per minute



### **Hampden County Sheriff's Department (Securus)**

The Hampden rates include a 52% commission plus payment of \$3,500.

#### All Calls

Local	\$2.50 Surcharge plus \$0.50 per call
State IntraLata	\$2.50 Surcharge plus \$0.10 per minute
State InterLata	\$2.50 Surcharge plus \$0.10 per minute
Interstate	\$3.95 Surcharge + \$0.89 the 1 <sup>st</sup> minute then \$0.10 per minute

### **Barnstable County Sheriff's Department (Securus)**

The Barnstable rates include a 52% commission

#### All Calls

Local		\$3.00 Surcharge plus \$0.10 per minute
Interstate		\$3.95 Surcharge plus \$0.89 per minute
State IntraLata & InterLata		\$3.00 Surcharge plus the following per minute rates:
Day	0 – 10 Miles	\$0.10 for 1 <sup>st</sup> minute then \$0.06 per minute
	11 – 14 Miles	\$0.10 for 1 <sup>st</sup> minute then \$0.09 per minute
	15+ Miles	\$0.10 for 1 <sup>st</sup> minute then \$0.10 per minute
Evening	0 – 10 Miles	\$0.074 for 1 <sup>st</sup> minute then \$0.055 per minute
	11 – 14 Miles	\$0.10 for 1 <sup>st</sup> minute then \$0.055 per minute
	15+ Miles	\$0.10 for 1 <sup>st</sup> minute then \$0.061 per minute
Night/Wknd	0 – 10 Miles	\$0.046 for 1 <sup>st</sup> minute then \$0.036 per minute
	11 – 14 Miles	\$0.054 for 1 <sup>st</sup> minute then \$0.036 per minute
	15+ Miles	\$0.078 for 1 <sup>st</sup> minute then \$0.036 per minute

19. Following are now some examples of state rates that are priced far lower than some of the rates being used in Massachusetts particularly by the Counties. These are examples of the collect calling rates from some other state DOC contracts.

#### **New York (Unisys/VAC)**

All calls \$0.048 per minute with no surcharge

#### **Michigan (Embarq)**



Local	\$0.12 per minute with no surcharge
State IntraLata	\$0.12 per minute with no surcharge
State InterLata	\$0.12 per minute with no surcharge
Interstate	\$0.15 per minute with no surcharge

#### **Rhode Island (GTL)**

Local	\$0.70 per call with no surcharge
State IntraLata	\$0.70 per call with no surcharge
State InterLata	\$0.70 per call with no surcharge
Interstate	\$1.30 Surcharge plus \$0.30 per minute

#### **Nebraska (PCS)**

Local	\$0.70 per call with no surcharge
State IntraLata	\$0.70 Surcharge plus \$0.05 per minute
State InterLata	\$0.70 Surcharge plus \$0.05 per minute
Interstate	\$0.70 Surcharge plus \$0.05 per minute

20. The fact that there are states that have lower rates than Massachusetts is reason enough for DTC to investigate the rates charged in Massachusetts prisons and jails, especially given the lack of significant discrepancy in the cost of providing these services across states. Further, the fact that there is a big disparity between the rates charged by the State and Counties is yet another reason why this docket should move forward.

#### **IV. THE FALLING COSTS OF PRISON CALLING**

21. Like the rest of the telephone industry, the methods and costs of providing prison long distance have dropped precipitously over the last few years. There are several technological changes in the industry that have enabled the prison providers to drastically streamline their operations and greatly increase profit margins. These changes relate to the ability to process calls from centralized locations, which is often referred to as 'using the cloud'. There is also a

dramatic change ongoing in the cost of transport and bandwidth that have made it cheaper to connect to a jail facility. Finally, the large providers like Securus and GTL have benefitted greatly by centralization and economies of scale.

22. Of these changes, the most important one is the ability to process and switch prison calls at locations outside the prisons. In the past each prison would have needed a telephone switching device of some sort that would have required a significant capital investment. Further, the requirement of having sophisticated equipment at prisons also meant that the prison calling provider had to maintain an extensive fleet of technicians to keep the dispersed equipment in the network functioning. But the day of needing to make big capital investments at prisons is gone. Today, the prison providers can deploy one, or a few large softswitches in their network nationwide to handle the calls from all of the jails and the prisons on their network.

23. This change to a centralized switching and processing has been further enabled by a change in the way that calls get to and from prisons to the outside world. It was not too many years ago that prison providers had to buy very expensive T1s to carry voice calls. And since one T1 can handle 24 calls at most, larger prisons required multiple T1s. Today the prisons (along with many normal businesses) are converting to IP based voice switching. The prison provider now can order DSL, a cable modem or some other sort of ethernet connection at a prison and use that connection to route calls back to the centralized switching location. These connections are significantly less expensive than T1s and are more efficient. This new method of sending and receiving calls over ethernet is generically referred to as Voice over IP (VoIP).

24. Today there is very little capital investment made by prison telephone provider at each prison. All of the brains of the prison calling network are housed now at large centralized

locations. Today a prison calling system consists primarily of the telephones, an ethernet pipe to the outside world and some sort of small data router. Everything else is done at the centralized hubs in the network. One of the benefits of centralization for the prison providers is that there is significantly less labor required to keep prison systems operating. It was not unusual in the past for a prison telephone provider to maintain large fleets of service personnel who were needed to trouble shoot and keep the prison telephone systems operating. Today that task is mostly done from a centralized location and technicians rarely have to visit the prisons other than to deal with the telephone handsets. When trouble shooting is needed it can usually be done by a technician from the centralized hub. The savings in labor costs are dramatic compared to just a few years ago.

25. I have participated in many dockets in the past that looked at prison calling systems where the prison providers testified about their investments in developing centralized software for handling the penological requirements of a prison. In the not too distant past they would have to create different versions of software for different prisons and different states. However, software has also gotten much more sophisticated in the last few years. Prison calling providers now have one large software system that will handle just about any penological need and allows providers to quickly choose the functions they want from a menu to apply to a given prison. In the past they might have maintained different versions of software for different prison systems, but today they maintain one giant program that can accommodate every system.

26. Prison telephone systems are the perfect example of an economy of scale business. The more jails and prisons any one provider can add to their system, the more profitable they can be for every prison on the network. Most of a prison provider's costs are now



fixed at big hub locations and a much smaller percentage of their costs are driven incrementally at each prison.

27. Several years ago I did costs estimates of the cost of prison calling where I estimated that the cost per minute was in the six to seven cent per minute range. I have not yet updated that estimate for the issues discussed above, but I would have to guess today that the net effect of all of the above changes have probably cut the cost at least in half on a per minute basis. Almost every important cost component of prison calling has gotten significantly less expensive over the past few years.

## V. SUMMARY

28. This affidavit summarizes an abundance of evidence that prison rates are now out of line with costs, which I am prepared to present in more detail as this case proceeds. First there are states where prison providers are operating today using rates that are significantly lower than the rates charged in Massachusetts today, while costs across states remain virtually the same. That fact alone is enough evidence that there is room for rate cuts in the rates here and that Massachusetts rates are unreasonable. Secondly, the prison providers are benefitting from tremendous reductions in their cost of providing service without having seen any corresponding cut in the rates they charge. Prison providers should, of course, make a profit, but the existing rates yield excessive profits that are unnecessarily burdensome to consumers in this instance. There are sufficient issues worth exploring in this docket that would support this Commission taking a harder look at prison telephone rates in Massachusetts.

  
DOUGLAS A. DAWSON

RFR for a Secure Inmate Calling System & Related Services  
 DOC File Number: 13-DOC-Inmate Phone  
 2012

December 11,

## Attachment C Current Inmate Call Volume and Commission History

### SUMMARY BY MONTH – ALL CALL TYPES

Date	Attempted Record Count	Accepted Record Count	Accepted Total Minutes
July, 2011	1,211,482	309,368	4,045,885
August, 2011	1,141,032	288,941	3,779,846
September, 2011	1,055,988	274,499	3,601,850
October, 2011	1,154,263	299,541	3,964,056
November, 2011	1,189,971	300,649	4,032,564
December, 2011	1,288,070	317,734	4,247,364
January, 2012	1,201,485	307,839	4,158,387
February, 2012	1,143,967	310,474	4,165,804
March, 2012	1,270,034	335,562	4,499,781
April, 2012	1,250,042	315,103	4,200,463
May, 2012	1,223,165	311,637	4,119,418
June, 2012	1,165,420	293,616	3,884,333
<b>Totals:</b>	<b>14,294,919</b>	<b>3,664,963</b>	<b>48,699,751</b>

**CURRENT CALL VOLUME  
SUMMARY BY MONTH – LOCAL CALLS**

Date	Attempted Record Count	Accepted Record Count	Accepted Total Minutes
July, 2011	43,712	11,088	133,398
August, 2011	39,435	10,538	127,608
September, 2011	37,636	9,494	116,394
October, 2011	44,219	10,339	128,830
November, 2011	40,794	9,978	126,015
December, 2011	46,743	10,899	136,872
January, 2012	40,766	11,066	135,893
February, 2012	41,760	10,993	138,579
March, 2012	44,096	11,801	149,914
April, 2012	42,802	11,047	136,165
May, 2012	43,728	11,363	140,754
June, 2012	39,583	10,373	127,590
Totals:	505,274	128,979	1,598,012



**CURRENT CALL VOLUME**  
**SUMMARY BY MONTH – INTRA-LATA/INTRA-STATE CALLS**

Date	Attempted Record Count	Accepted Record Count	Accepted Total Minutes
July, 2011	846,464	223,537	2,893,833
August, 2011	800,540	209,247	2,703,210
September, 2011	742,445	199,444	2,576,859
October, 2011	804,888	216,542	2,818,196
November, 2011	830,764	217,179	2,864,134
December, 2011	903,903	229,773	3,017,268
January, 2012	849,940	224,338	2,990,616
February, 2012	808,431	225,562	2,982,392
March, 2012	900,028	244,183	3,226,623
April, 2012	889,058	229,044	3,009,013
May, 2012	871,356	227,140	2,966,790
June, 2012	828,365	214,477	2,802,937
Totals:	10,076,182	2,660,466	34,851,871

**CURRENT CALL VOLUME**  
**SUMMARY BY MONTH – INTER-LATA/INTRA-STATE CALLS**

Date	Attempted Record Count	Accepted Record Count	Accepted Total Minutes
July, 2011	196,293	45,829	637,525
August, 2011	178,775	40,885	576,992
September, 2011	162,965	38,856	552,233
October, 2011	175,556	41,382	592,504
November, 2011	186,635	42,690	618,164
December, 2011	194,376	44,494	643,158
January, 2012	182,318	42,167	611,377
February, 2012	172,790	43,019	620,070
March, 2012	188,542	46,177	665,736
April, 2012	182,702	43,090	620,987
May, 2012	170,599	40,937	581,069
June, 2012	166,420	38,786	552,718
<b>Totals:</b>	<b>2,157,971</b>	<b>508,312</b>	<b>7,272,533</b>

**CURRENT CALL VOLUME**  
**SUMMARY BY MONTH – INTER-LATA/INTER-STATE CALLS**

Date	Attempted Record Count	Accepted Record Count	Accepted Total Minutes
July, 2011	125,013	28,914	381,129
August, 2011	122,282	28,271	372,036
September, 2011	112,942	26,705	356,364
October, 2011	129,600	31,278	424,526
November, 2011	131,778	30,802	424,251
December, 2011	143,048	32,568	450,066
January, 2012	128,461	30,268	420,501
February, 2012	120,986	30,900	424,763
March, 2012	137,368	33,401	457,508
April, 2012	135,480	31,922	434,298
May, 2012	137,482	32,197	430,805
June, 2012	131,052	29,980	401,088
Totals:	1,555,492	367,206	4,977,335



December 11,

**COMMISSION HISTORY**  
**Fiscal Year 2011**

Date	Total Revenue	DOC Commission
July, 2010	\$ 524,360.39	\$ 145,385.52
August, 2010	\$ 542,740.82	\$ 150,793.77
September, 2010	\$ 530,019.01	\$ 147,887.79
October, 2010	\$ 518,413.07	\$ 126,858.27
November, 2010	\$ 558,836.03	\$ 136,372.20
December, 2010	\$ 550,705.54	\$ 133,684.53
January, 2011	\$ 562,629.81	\$ 136,739.47
February, 2011	\$ 607,920.40	\$ 147,920.53
March, 2011	\$ 564,676.53	\$ 137,096.87
April, 2011	\$ 626,191.66	\$ 151,375.36
May, 2011	\$ 587,036.32	\$ 141,898.70
June, 2011	\$ 582,799.10	\$ 140,319.93
Totals:	\$ 6,756,328.68	\$ 1,696,332.94

**COMMISSION HISTORY**  
**Fiscal Year 2012**

Date	Total Revenue	DOC Commission
July, 2010	\$ 569,833.66	\$ 137,777.08
August, 2010	\$ 567,287.62	\$ 136,237.56
September, 2010	\$ 544,576.81	\$ 130,422.84
October, 2010	\$ 558,647.42	\$ 134,511.98
November, 2010	\$ 606,770.36	\$ 146,511.69
December, 2010	\$ 595,869.21	\$ 144,283.22
January, 2011	\$ 603,942.40	\$ 146,009.63
February, 2011	\$ 641,906.57	\$ 155,614.05
March, 2011	\$ 620,122.79	\$ 149,494.59
April, 2011	\$ 633,108.24	\$ 152,523.01
May, 2011	\$ 592,095.09	\$ 141,267.31
June, 2011	\$ 597,935.28	\$ 142,851.84
<b>Totals:</b>	<b>\$ 7,132,095.44</b>	<b>\$ 1,717,504.80</b>



2609 Cameron St.  
Mobile, AL 36607

## SUMMARY COMMISSION REPORT

Facility: Plymouth County MA-Sheriff

Supplier Code: ZZ5346

Cost Center: 5346

Period: August-2011

Call Type	Calls	% Calls	Minutes	% Minutes	Revenue	% Revenue	Commission Rate	Total Commission
Advance Pay Interstate Interlata	162	2.80%	1,947	1.86%	\$2,372.73	7.66%	60.00%	\$1,423.64
Advance Pay Intrastate Interlata	110	1.90%	2,405	2.29%	\$526.50	1.70%	60.00%	\$315.90
Advance Pay Intrastate Intralata	3,984	68.95%	77,769	74.14%	\$20,127.20	64.96%	60.00%	\$12,076.32
Advance Pay Local	298	5.16%	5,431	5.18%	\$1,466.90	4.73%	60.00%	\$880.14
Collect Interstate Interlata	87	1.51%	1,138	1.08%	\$1,356.47	4.38%	60.00%	\$813.88
Collect Intrastate Interlata	20	0.35%	371	0.35%	\$89.10	0.29%	60.00%	\$53.46
Collect Intrastate Intralata	941	16.29%	12,512	11.93%	\$4,168.30	13.45%	60.00%	\$2,500.98
Collect Local	176	3.05%	3,322	3.17%	\$877.80	2.83%	60.00%	\$526.68
<b>Sum:</b>	<b>5,778</b>	<b>100.00%</b>	<b>104,895</b>	<b>100.00%</b>	<b>\$30,985.00</b>	<b>100.00%</b>		<b>\$18,591.00</b>

Plymouth County Sheriff's Department

Mr. John T. Finnerty

24 Long Pond Road,

Plymouth, MA 02360

Any questions about this report? Contact Lisa Ferguson @ (251) 338-8859 ext. 5224 or lferguson@gtl.net





2609 Cameron St.  
Mobile, AL 36607

## SUMMARY COMMISSION REPORT

Facility: Plymouth County MA-Sheriff

Supplier Code: ZZ5346

Cost Center: 5346

Period: September-2011

Call Type	Calls	% Calls	Minutes	% Minutes	Revenue	% Revenue	Commission Rate	Total Commission
Advance Pay Interstate Interlata	611	2.71%	7,480	1.85%	\$9,070.65	7.69%	60.00%	\$5,442.39
Advance Pay Intrastate Interlata	347	1.54%	7,191	1.78%	\$1,621.30	1.38%	60.00%	\$972.78
Advance Pay Intrastate Intralata	17,270	76.46%	327,128	81.01%	\$86,249.80	73.15%	60.00%	\$51,749.88
Advance Pay Local	1,568	6.94%	27,199	6.74%	\$7,580.70	6.43%	60.00%	\$4,548.42
Collect Interstate Interlata	118	0.52%	1,482	0.37%	\$1,785.08	1.51%	60.00%	\$1,071.05
Collect Intrastate Interlata	35	0.15%	755	0.19%	\$166.50	0.14%	60.00%	\$99.90
Collect Intrastate Intralata	2,347	10.39%	28,427	7.04%	\$10,118.40	8.58%	60.00%	\$6,071.04
Collect Local	291	1.29%	4,130	1.02%	\$1,315.10	1.12%	60.00%	\$789.06
Sum:	22,587	100.00%	403,792	100.00%	\$117,907.53	100.00%		\$70,744.52

Plymouth County Sheriff's Department

Mr. John T. Finnerty

24 Long Pond Road,

Plymouth, MA 02360

Any questions about this report? Contact Lisa Ferguson @ (251) 338-8859 ext. 5224 or lferguson@gtl.net

# APPENDIX A

## Facility Available for Bid:

Exhibit 4

Hampshire Sheriff's Office  
205 Rocky Hill Road  
Northampton, MA 01061

FACILITY SPECIFICATIONS	
Average Daily Population (ADP):	275
Number of Beds:	275
Availability for Inmate Telephone Use:	9 a.m. – 10 p.m.
Availability for Booking Telephone Use:	24/7- No PINs
Call Time Limit:	20 minutes
Number of Current Inmate Telephone Stations:	33
Inmate Telephones Required:	33
Portable/Cart Phones Required:	1
TDD Units Required:	1
Workstations Required	2

Based on six (6) months of call statistics:

CALL TYPE	COLLECT		PRE-PAID COLLECT		DEBIT	
	# Calls	# Minutes	# Calls	# Minutes	# Calls	# Minutes
Local	636	7,542	713	9,658	230	3,102
Intralata/Intrastate	908	11,787	2,198	32,507	525	7,737
Interlata/Intrastate	83	916	131	1,670	48	764
Interlata/Interstate	80	867	53	508	15	140
International	0	0	7	95	11	135

## CONFIDENTIAL – PROPRIETARY INFORMATION

The information contained herein is for use only by authorized employees of the parties hereto and is not for general distribution within or outside their respective companies.



## COMMONWEALTH OF MASSACHUSETTS ~ STANDARD CONTRACT FORM



This form is jointly issued and published by the Executive Office for Administration and Finance (ANF), the Office of the Comptroller (CTR) and the Operational Services Division (OSD) as the default contract for all Commonwealth Departments when another form is not prescribed by regulation or policy. Any changes to the official printed language of this form shall be void. Additional non-conflicting terms may be added by Attachment. Contractors may not require any additional agreements, engagement letters, contract forms or other additional terms as part of this Contract without prior Department approval. Click on hyperlinks for definitions, instructions and legal requirements that are incorporated by reference into this Contract. An electronic copy of this form is available at [www.mass.gov/osc](http://www.mass.gov/osc) under Guidance For Vendors - Forms or [www.mass.gov/osd](http://www.mass.gov/osd) under OSD Forms.

<b>CONTRACTOR LEGAL NAME:</b> (and d/b/a): GTL		<b>COMMONWEALTH DEPARTMENT NAME:</b> NORFOLK COUNTY SHERIFF'S OFFICE <b>MMARS Department Code:</b> SDN	
<b>Legal Address:</b> (W-9, W-4, T&C): 57 Catherine St, South Bound Brook, NJ 08880		<b>Business Mailing Address:</b> 200 WEST STREET, PO BOX 149, DEDHAM, MA 02027	
<b>Contract Manager:</b> John Canny		<b>Billing Address (if different):</b>	
<b>E-Mail:</b> jcanny@gtl.net		<b>Contract Manager:</b> Thomas Rieman	
<b>Phone:</b> 0 732-560-0006	<b>Fax:</b>	<b>E-Mail:</b> trieman@norfolksheriffma.org	
<b>Contractor Vendor Code:</b>		<b>Phone:</b> 781-751-3311	<b>Fax:</b> 781-326-1079
<b>Vendor Code Address ID (e.g. "AD001"):</b> (Note: The Address ID Must be set up for EFT payments.)		<b>MMARS Doc ID(s):</b>	
<b>RFR/Procurement or Other ID Number:</b>			
<b>X NEW CONTRACT</b> <b>PROCUREMENT OR EXCEPTION TYPE:</b> (Check one option only) <input type="checkbox"/> <b>Statewide Contract</b> (OSD or an OSD-designated Department) <input type="checkbox"/> <b>Collective Purchase</b> (Attach OSD approval, scope, budget) <input checked="" type="checkbox"/> <b>Department Procurement</b> (includes State or Federal grants 815 CMR 2.00) (Attach RFR and Response or other procurement supporting documentation) <input type="checkbox"/> <b>Emergency Contract</b> (Attach justification for emergency, scope, budget) <input type="checkbox"/> <b>Contract Employee</b> (Attach Employment Status Form, scope, budget) <input type="checkbox"/> <b>Legislative/Legal Exemption or Other:</b> (Attach authorizing language/justification, scope and budget)		<b>CONTRACT AMENDMENT</b> Enter Current Contract End Date <u>Prior</u> to Amendment: _____, 20____ Enter Amendment Amount: \$ _____ (or "no change") <b>AMENDMENT TYPE:</b> (Check one option only. Attach details of Amendment changes.) <input type="checkbox"/> <b>Amendment to Scope or Budget</b> (Attach updated scope and budget) <input type="checkbox"/> <b>Interim Contract</b> (Attach justification for Interim Contract and updated scope/budget) <input type="checkbox"/> <b>Contract Employee</b> (Attach any updates to scope or budget) <input type="checkbox"/> <b>Legislative/Legal Exemption or Other:</b> (Attach authorizing language/justification and updated scope and budget)	
<b>The following COMMONWEALTH TERMS AND CONDITIONS (T&amp;C) has been executed, filed with CTR and is incorporated by reference into this Contract.</b> <input checked="" type="checkbox"/> Commonwealth Terms and Conditions <input type="checkbox"/> Commonwealth Terms and Conditions For Human and Social Services			
<b>COMPENSATION:</b> (Check ONE option): The Department certifies that payments for authorized performance accepted in accordance with the terms of this Contract will be supported in the state accounting system by sufficient appropriations or other non-appropriated funds, subject to intercept for Commonwealth owed debts under 815 CMR 9.00. <input type="checkbox"/> <b>Rate Contract</b> (No Maximum Obligation. Attach details of all rates, units, calculations, conditions or terms and any changes if rates or terms are being amended.) <input type="checkbox"/> <b>Maximum Obligation Contract</b> Enter Total Maximum Obligation for total duration of this Contract (or <u>new</u> Total if Contract is being amended). \$ _____ <b>N/A</b>			
<b>PROMPT PAYMENT DISCOUNTS (PPD):</b> Commonwealth payments are issued through EFT 45 days from invoice receipt. Contractors requesting accelerated payments must identify a PPD as follows: Payment issued within 10 days _____ % PPD; Payment issued within 15 days _____ % PPD; Payment issued within 20 days _____ % PPD; Payment issued within 30 days _____ % PPD. If PPD percentages are left blank, identify exemption: _____ statutory/legal or Ready Payments (G.L. c. 29, § 23A); _____ federal grant/trust; _____ initial payment (subsequent payments must be scheduled to support payee cash flow needs and standard EFT 45 day payment cycle. See Prompt Pay Discounts Policy.)			
<b>BRIEF DESCRIPTION OF CONTRACT PERFORMANCE or REASON FOR AMENDMENT:</b> This is a service contract with a revenue share based on the variable use of the telephone by inmates. The rate of compensation to the Sheriff's Office is at 65% (Sixty Five Percent) of Gross Billed Revenue. The service component of the contract relates to the maintenance of a phone system that will interface and work with the Keefe canteen accounting software as it relates to the maintenance of inmate accounts. Phone access and calls by inmates will be provided by GTL on a fee-for-service basis. In exchange for a multi-year service contract the vendor agrees to upgrade the inmate phone system to GTL's newest platform with ICMv technology for compatibility with our Keefe Canteen's Accounting Software. The GTL upgrade of the inmate telephone system will provide for a Unified Communication System (UCS) that supports IP, voice, and data. The upgrade will include equipment, software, and properly conditioned lines to support the UCS. Note: this is a contract with a term of three years with two - 1 year renewals.			
<b>ANTICIPATED START DATE:</b> (Complete ONE option only) The Department and Contractor certify for this Contract, or Contract Amendment, that Contract obligations: <input checked="" type="checkbox"/> 1. may be incurred as of the <u>Effective Date</u> (latest signature date below subject to any required approvals) and <u>no</u> obligations have been incurred <u>prior</u> to the <u>Effective Date</u> . <input type="checkbox"/> 2. may be incurred as of _____, 20____, a date <u>LATER</u> than the <u>Effective Date</u> below and <u>no</u> obligations have been incurred <u>prior</u> to the <u>Effective Date</u> . <input type="checkbox"/> 3. were incurred as of _____, 2013, a date <u>PRIOR</u> to the <u>Effective Date</u> below, and the parties agree that payments for any obligations incurred prior to the <u>Effective Date</u> are authorized to be made either as settlement payments or as authorized reimbursement payments, and that the details and circumstances of all obligations under this Contract are attached and incorporated into this Contract. Acceptance of payments forever releases the Commonwealth from further claims related to these obligations.			
<b>CONTRACT END DATE:</b> Contract performance shall terminate as of <u>5/22</u> , 20 <u>16</u> , with no new obligations being incurred after this date unless the Contract is properly amended, provided that the terms of this Contract and performance expectations and obligations shall survive its termination for the purpose of resolving any claim or dispute, for completing any negotiated terms and warranties, to allow any close out or transition performance, reporting, invoicing or final payments, or during any lapse between amendments.			
<b>CERTIFICATIONS:</b> Notwithstanding verbal or other representations by the parties, the "Effective Date" of this Contract or Amendment shall be the latest date that this Contract or Amendment has been executed by an authorized signatory of the Contractor, the Department, or a later Contract or Amendment Start Date specified above, subject to any required approvals. The Contractor makes all certifications required under the attached <u>Contractor Certifications</u> (incorporated by reference if not attached hereto) under the pains and penalties of perjury, agrees to provide any required documentation upon request to support compliance, and agrees that all terms governing performance of this Contract and doing business in Massachusetts are attached or incorporated by reference herein according to the following hierarchy of document precedence, the applicable <u>Commonwealth Terms and Conditions</u> , this Standard Contract Form including the <u>Instructions and Contractor Certifications</u> , the Request for Response (RFR) or other solicitation, the Contractor's Response, and additional negotiated terms, provided that additional negotiated terms will take precedence over the relevant terms in the RFR and the Contractor's Response only if made using the process outlined in 801 CMR 21.07, incorporated herein, provided that any amended RFR or Response terms result in best value, lower costs, or a more cost effective Contract.			
<b>AUTHORIZING SIGNATORY FOR THE CONTRACTOR:</b> X: <u>[Signature]</u> Date: <u>6/12/13</u> (Signature and Date Must Be Handwritten At Time of Signature) Print Name: <u>Jeffrey B. Harding</u> Print Title: <u>President and COO</u>		<b>AUTHORIZING SIGNATORY FOR THE COMMONWEALTH:</b> X: <u>[Signature]</u> Date: <u>6/14/13</u> (Signature and Date Must Be Handwritten At Time of Signature) Print Name: <u>Adrian McNamee</u> Print Title: <u>Director of Finance</u>	





## SCOPE OF SERVICES AND BUDGET FOR STANDARD CONTRACT



### A. SCOPE OF SERVICES *GTL*

This is a service contract with a revenue share based on the variable use of the telephone by inmates. The rate of compensation to the Sheriff's Office is at 65% (Sixty Five Percent) of Gross Billed Revenue. The service component of the contract relates to the maintenance of a phone system that will interface and work with the Keefe canteen accounting software as it relates to the maintenance of inmate accounts. Phone access and calls by inmates will be provided by GTL on a fee-for-service basis.

In exchange for a multi-year service contract the vendor agrees to upgrade the inmate phone system to GTL's newest platform with ICMv technology for compatibility with our Keefe Canteen's Accounting Software. The GTL upgrade of the inmate telephone system will provide for a Unified Communication System (UCS) that supports IP, voice, and data. The upgrade will include equipment, software, and properly conditioned lines to support the UCS.

Note: this is a contract with a term of three years with two – 1 year renewals.

#### COMMENTS:

Vendor will provide scope of services with no exclusions and at no additional cost to the NCSO. Vendor shall submit the standard NCSO vendor invoice and timesheets supporting all costs invoiced for review, prior to payment approval to Director of Finance. Vendor will be paid monthly. Services performed will be documented on a NCSO timesheet, and signed by the Vendor. Vendor will only be paid for costs associated with this contract. Payment may be withheld until the NCSO is satisfied expenditures were made and services were provided in accordance with the provisions of this contract.

The maximum contract amount denotes the maximum amount of payment that a vendor may receive in the contract period. It should not be assumed that a vendor will automatically receive the full contract amount. Rather, the successful vendor will be paid by actual staff hours worked, multiplied by the submitted hourly rate, on a monthly basis.

This contract may be amended at anytime at the sole discretion of the NCSO, to include but not be limited to the maximum obligation and the terms and conditions herein. Vendor agrees to abide by state, county, and NCSO rules, regulations, and conditions.

Vendor shall not be entitled to the NCSO's worker compensation coverage for any injury occurring or arising as a result of vendor's performance of duties. While malpractice insurance is not required under this contract, vendor is not entitled to liability insurance protection of any sort from the NCSO.

The NCSO must approve any staff member of the bidder to perform the scope of services. Prior approval of the NCSO must be obtained before commencing services, which includes staffing changes.

Vendor must follow the vendor security policy. All vendor personnel will be required to pass a security clearance before performing work at the NCSO. The vendor will absorb all costs associated with security issues (vehicle inspection, etc.). Vendor/Staff will be required to be CORI approved. Vendor/Staff will be required to attend any training as deemed necessary.

by the Norfolk County Sheriff's Office.

Vendor is required to provide a 30 day written notice of staff resignation/changes. Any vacancy created by resignation, termination, prolonged illness or leave must be filled immediately to ensure that full services are being provided/satisfied as stipulated in this contract. Should vendor fail to fulfill this requirement, the NCSO has the right to terminate the contract immediately.

The NCSO observes 13 state and federal holidays, on which services will not be required by the vendor. The NCSO will only pay a vendor for the actual staff hours worked, as indicated on NCSO contractor timesheets. Any vacation, holidays, sick time or personal days shall be the responsibility of the vendor, and will not be paid for by the NCSO. It is important to note that if a staff member does take a sick, vacation, or personal day, the successful vendor will be expected to provide full programming coverage in that staff member's absence.

Vendor agrees to comply with all applicable state and federal laws with regard to Sexual Harassment/Discrimination.

Vendor has read, agreed to and signed the Commonwealth of Massachusetts Mandatory Terms and Conditions, which are incorporated herein and its provisions.

This contract is subject to funding as determined by the NCSO.

**Procurement:**

**BUDGET**

- Vendor Rates: No Fee Contract
- Source of Payment:
- Maximum Obligation:
- 

No mileage, training reimbursements, transportation, fuel, energy, insurance or any other charges will be allowed throughout the duration of the contract(s).

**DATE OF THIS CONTRACT:** Performance shall begin on **approx. May 22, 2013** and this Contract shall terminate on **May 22, 2016**. The NCSO requires notification of one month for cancellation of Agreement. This Agreement may be terminated at any time at the sole discretion of the NCSO.

**OPTION TO RENEW: YES – TWO 1-YEAR OPTIONS**